

HOUSE COMMITTEE OF REFERENCE REPORT

Chair of Committee

Date

May 26, 2021

Committee on Health & Insurance.

After consideration on the merits, the Committee recommends the following:

SB21-063 be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation:

- 1 Amend reengrossed bill, page 2, line 4, strike "**benefits.**" and substitute
2 "**benefits - rules.**".
- 3 Page 2, line 5, after "(c)" insert "THE COMMISSIONER MAY WAIVE ANY OF
4 THE REQUIREMENTS OF THIS SUBSECTION (7)(c).".
- 5 Page 2, line 11, after the period insert "A MULTIPLE EMPLOYER WELFARE
6 ARRANGEMENT THAT MEETS THE REQUIREMENTS SPECIFIED IN SUBSECTION
7 (7)(c) OF THIS SECTION OTHER THAN THOSE SPECIFIED IN SUBSECTIONS
8 (7)(c)(I) AND (7)(c)(V)(B) OF THIS SECTION MAY ALSO FILE AN
9 APPLICATION FOR A WAIVER WITH THE COMMISSIONER.".
- 10 Page 4, line 10, strike everything after "MINIMUM" and substitute
11 "SURPLUS; EXCEPT THAT THE COMMISSIONER MAY, BY RULE, INCREASE
12 THE MINIMUM SURPLUS CONSISTENT WITH THE STANDARDS OF THE
13 NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS;".
- 14 Page 4, strike lines 11 and 12.
- 15 Page 4, line 24, strike "SECTION 10-3-1104 (1)(i)" and substitute "ARTICLE
16 11 OF THIS TITLE 10".
- 17 Page 5, line 4, strike "AND".

1 Page 5, strike lines 8 through 13 and substitute "HEALTH BENEFIT PLANS,
2 INCLUDING: COVERAGE OF ESSENTIAL HEALTH BENEFIT PLANS AND
3 COMPLIANCE WITH THE FEDERAL "PATIENT PROTECTION AND AFFORDABLE
4 CARE ACT", PUB.L.111-148, AS AMENDED; COVERAGE OF
5 STATE-MANDATED HEALTH BENEFITS AS REQUIRED BY SECTION 10-16-104;
6 NETWORK PROVIDER REQUIREMENTS AND COMPLIANCE WITH NETWORK
7 ADEQUACY STANDARDS AS REQUIRED BY SECTION 10-16-704; AND
8 GUARANTEE ISSUE REQUIREMENTS, INCLUDING THAT ALL MULTIPLE
9 EMPLOYER WELFARE ARRANGEMENT MEMBERS AND THEIR EMPLOYEES
10 MUST BE ELIGIBLE TO PURCHASE INSURANCE;

11 (H) NOT CONDITION MEMBERSHIP ON HEALTH-STATUS-RELATED
12 FACTORS RELATED TO AN INDIVIDUAL OR EXCLUDE AN EMPLOYER FROM
13 MEMBERSHIP BECAUSE OF THE HEALTH STATUS OF THE EMPLOYEES OF THE
14 EMPLOYER. HEALTH-STATUS-RELATED FACTORS INCLUDE: HEALTH
15 STATUS; MEDICAL CONDITION, INCLUDING BOTH PHYSICAL AND MENTAL
16 ILLNESS, AS DEFINED IN 45 CFR 144.103; AND EVIDENCE OF INSURABILITY
17 OR DISABILITY.

18 (I) NOT CHARGE DIFFERENT PREMIUM RATES, ALTER COST
19 SHARING, OR CHANGE BENEFIT LEVELS BASED ON
20 HEALTH-STATUS-RELATED FACTORS OF A MULTIPLE EMPLOYER WELFARE
21 ARRANGEMENT MEMBER GROUP OR INDIVIDUAL EMPLOYEE OF THAT
22 GROUP;

23 (J) NOT MAKE HEALTH INSURANCE COVERAGE OFFERED THROUGH
24 THE ARRANGEMENT AVAILABLE OTHER THAN IN CONNECTION WITH A
25 MEMBER OF THE MULTIPLE EMPLOYER WELFARE ARRANGEMENT; AND

26 (K) FILE ANNUAL RATE AND FORM FILINGS WITH THE DIVISION AS
27 SPECIFIED BY THE COMMISSIONER BY RULE."

28 Page 6, strike lines 4 through 6 and substitute:

29 "(E) THE LENGTH OF TIME THE MULTIPLE EMPLOYER WELFARE
30 ARRANGEMENT HAS BEEN IN EXISTENCE."

31 Page 6, line 16, after the period add "AN ARRANGEMENT OPERATING
32 PURSUANT TO THIS SUBSECTION (7)(d) REMAINS SUBJECT TO THE
33 DIVISION'S FULL ENFORCEMENT AUTHORITY UNDER THIS TITLE 10, AND THE
34 DIVISION MAY APPLY ANY REQUIREMENT IN THIS TITLE 10 APPLICABLE TO
35 HEALTH INSURANCE CARRIERS TO THE ARRANGEMENT AS LONG AS THE
36 MULTIPLE EMPLOYER WELFARE ARRANGEMENT IS OPERATING IN
37 COLORADO.

38 (V) THE COMMISSIONER:



1 (A) SHALL ADOPT RULES FOR THE IMPLEMENTATION OF THIS
2 SUBSECTION (7)(d); AND

3 (B) MAY WAIVE ANY OF THE REQUIREMENTS OF THIS SUBSECTION
4 (7)(d)(I)(B) OF THIS SECTION FOR WAIVER APPLICANTS THAT MEET THE
5 REQUIREMENTS IN SUBSECTION (7)(c) OF THIS SECTION OTHER THAN THOSE
6 SPECIFIED IN SUBSECTIONS (7)(c)(I) AND (7)(c)(V)(B) OF THIS SECTION.

7 **SECTION 2.** In Colorado Revised Statutes, 10-3-1102, **amend**
8 (3) as follows:

9 **10-3-1102. Definitions.** As used in this part 11, unless the context
10 otherwise requires:

11 (3) "Person" means any individual, corporation, association,
12 partnership, reciprocal exchange, interinsurer, Lloyds insurer,
13 nonadmitted insurer, fraternal benefit society, and other legal entities
14 engaged in the insurance business, including agents, limited insurance
15 representatives, agencies, brokers, surplus line brokers, and adjusters.
16 ~~Such~~ THE term ~~shall~~ also ~~include~~ INCLUDES medical service plans and
17 hospital service plans regulated under parts 1 and 3 of article 16 of this
18 ~~title~~ and TITLE 10, health maintenance organizations regulated under parts
19 1 and 4 of article 16 of this ~~title~~. ~~Such~~ TITLE 10, AND MULTIPLE EMPLOYER
20 WELFARE ARRANGEMENTS OPERATING PURSUANT TO SECTION 10-3-903.5
21 (7)(d). THE plans, ARRANGEMENTS, and organizations shall be deemed to
22 be engaged in the business of insurance for purposes of this part 11
23 only.".

24 Renumber succeeding sections accordingly.

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